GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4050
ANSWERED ON:18.08.2000
FUNDS REQUIRED BY STC
TUFANI SAROJ

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the State Trading Corporation has requested the Government to provide funds for procurement of tobacco;

(b) if so, the details thereof;

(c) the reaction of the Government thereto;

(d) whether the Government have asked the State Trading Corporation to buy tobacco from tobacco growers; and

(e) if so, the reasons for not arranging funds for STC for that purpose;

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

a) Yes, Sir.

b) State Trading Corporation (STC)has requested to provide an amount of Rs. 50.00 crores towards expenditure incurred on purchases of FCV tobacco during 1999 and cost of holding those stocks and further to finance the marketing operations undertaken during 2000.

c) The finalization of accounts after the disposal of stock by STC, will enable Government to determine the nature of assistance.

d) STC has been directed to purchase only straight grades of FCV tobacco from the auction platforms in Andhra Pradesh when prices of various grades fall below their 1999 average prices.

e) STC was directed to initiate the tobacco procurement operations with commercial borrowings from the banks.